



M E M O R A N D U M

Date: August 8, 2003

To: All Agency Secretaries and Department Heads, Chiefs of Administration and Business Services Managers

From: Department of General Services

Subject: STATEWIDE ASSET REALIGNMENT PROJECT

At the Department of General Services, we know that you are busy dealing with many issues related to the budget reductions. When dealing with a financial crisis and the impact it has to our people, assets are often overlooked as a source of potential savings. We have created a special project called the **Statewide Asset Realignment Project** that can assist agencies with their state assets as you realign operations to reduce costs and streamline activities.

Assets that may be affected include:

❖ **Real property and facilities**

- Office/warehouse space requirements, including state-owned office space and leased facilities where leases can be terminated, consolidated or renegotiated
- Personal service contracts for operations of facilities (e.g., janitorial, pest control, security guard services) that can be reduced, consolidated or eliminated
- Contracts for telecommunications services that will no longer be required (e.g., cell phones, pagers)

❖ **Personal property**

- Surplus office/modular furniture, office and filing equipment, copiers
- Surplus Information Technology hardware and software
- Fleet vehicles
- State records (paper, microfilm, electronic or other media)

❖ **Intellectual property**

- Data residing in computer systems that may no longer be supported (records management)
- Contracts for software acquisition and maintenance that can be consolidated, terminated or renegotiated

❖ **Other Assets that are unique to your agency**

We have created a website at www.dgs.ca.gov/realignment with helpful information, such as:

- ❖ **Resource Guide.** This useful guide takes you through all the major issues you may face in your planning that affect state assets and describes the processes used, required forms, references to policies and procedures, as well as contact information for DGS subject matter experts who can answer your questions.
- ❖ **Customer Survey.** The survey seeks your input on what you anticipate will be the extent of the budget reductions to help DGS plan how we can best be of service to you in this process. This survey is completely optional but may also help you with planning for realignment.
- ❖ List of **DGS contacts** with names, phone numbers and email addresses
- ❖ An **Information Technology (IT) Checklist.** A planning tool to help you think through IT issues
- ❖ As new information is developed, it will be added to the website.

Using a team approach as we suggest, in the last six months our Real Estate Services Division's Rent Reduction Strike Force has already saved over \$15 Million by helping agencies better utilize their space and reduce lease holdings. If you haven't met with them yet, you can schedule a meeting to review all your space holdings, both leased and state-owned, as well as other available space that might work better for you. Check the website contact information if you'd like more information on this service.

We would like to work with you as early as possible as you begin to identify the impact of the budget cuts on your organizations and opportunities for cost savings. We would be happy to meet with you or your internal transition teams at any time as you continue your planning efforts.

DGS looks forward to partnering with you during the budget crisis. If we can be of further assistance, please let us know how we can help. Please contact Mariel D'Eustachio, Project Manager for the Statewide Asset Realignment Project by phone: (916) 375-4623 or by email: Mariel.DEustachio@dgs.ca.gov.

J. Clark Kelso, Interim Director
Department of General Services

JCK:DD:md

cc: Operating and Management Teams, Department of General Services
Statewide Asset Realignment Project Team